

HOUSE BILL 1981
By Jones U

AN ACT to amend Tennessee Code Annotated, Section 8-34-604,
relative to retirement salary credit for unused accumulated
sick leave.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-34-604(c), is amended by deleting from the first sentence thereof the language "the provisions of this section" and by substituting instead the language "the provisions of subsection (b)".

SECTION 2. Tennessee Code Annotated, Section 8-34-604, is amended by adding the following new subsections immediately after subsection (c) thereof and by redesignating the present subsection (d) accordingly:

(d) Except as provided in subsection (e), a member who retires on or after July 1, 2003, shall receive retirement salary credit for each month of service credit granted pursuant to this section in an amount equal to the member's last full month of earnable compensation at termination of employment. Retirement salary credit for a fractional part of a month shall be determined by prorating the member's last full month of earnable compensation at termination of employment by the number of days credited hereunder for that month.

(e) The provisions of subsection (d) shall not apply to employees of employers participating in the retirement system pursuant to chapter 35, part 2 of this title, unless the governing body of such employer, after receipt of the liability information from the retirement system, passes a resolution authorizing the salary retirement credit and accepting the liability therefor.

SECTION 3. This act is subject to the funding being provided in the General Appropriations Act.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.